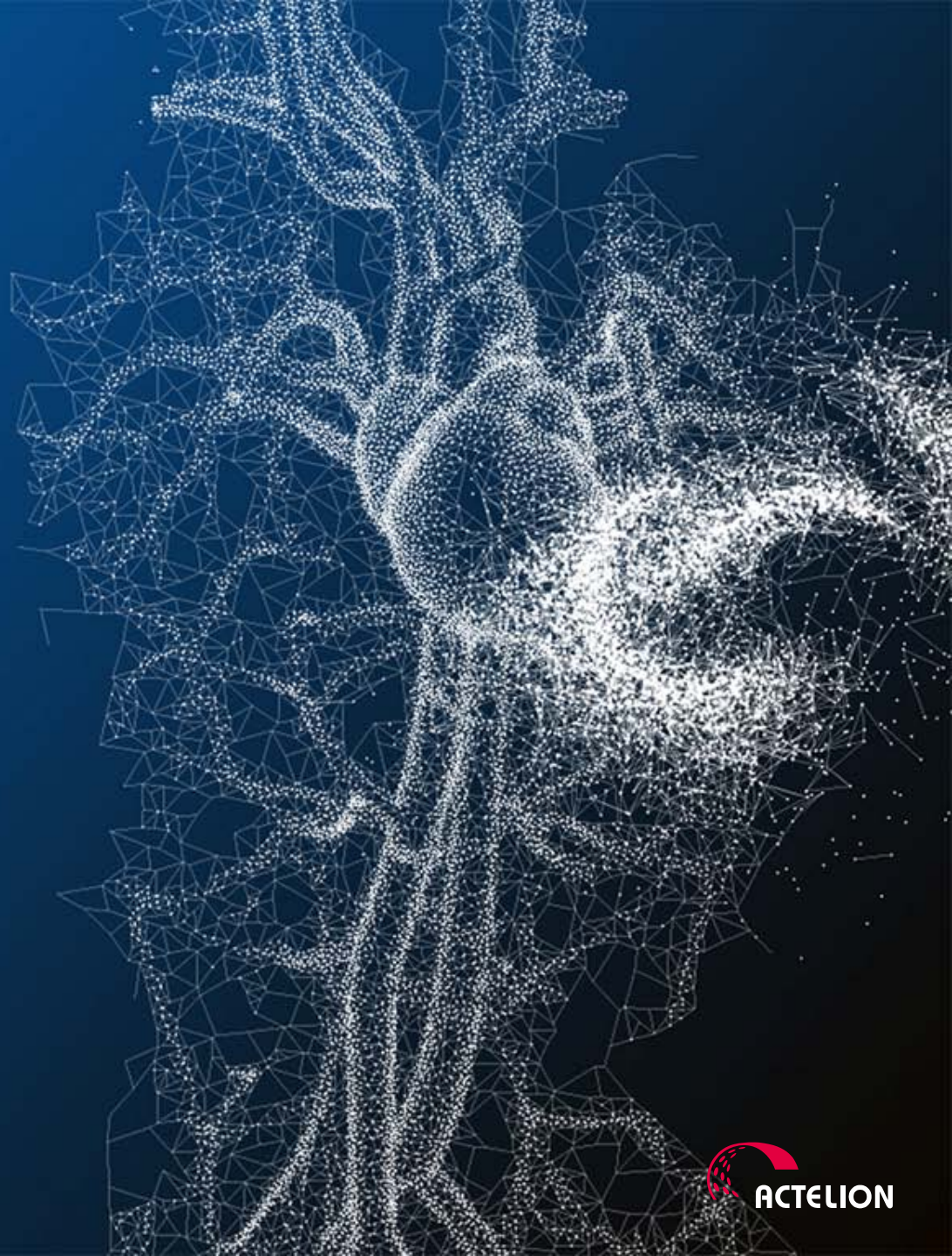


STRATEGY FOR VALUE CREATION



The following information contains certain “forward-looking statements”, relating to the company’s business, which can be identified by the use of forward-looking terminology such as “estimates”, “believes”, “expects”, “may”, “are expected to”, “will”, “will continue”, “should”, “would be”, “seeks”, “pending” or “anticipates” or similar expressions, or by discussions of strategy, plans or intentions. Such statements include descriptions of the company’s investment and research and development programs and anticipated expenditures in connection therewith, descriptions of new products expected to be introduced by the company and anticipated customer demand for such products and products in the company’s existing portfolio. Such statements reflect the current views of the company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected.

STRATEGY FOR VALUE CREATION

THREE MAIN TASKS

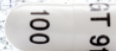
**SUSTAIN AND
GROW PAH
FRANCHISE**

**BUILD A 2ND
SPECIALTY
FRANCHISE**

OPTIMIZE PROFITABILITY

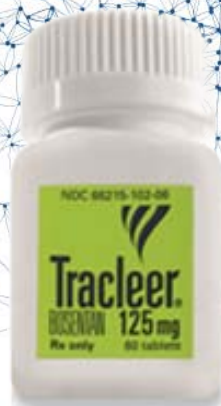
PRODUCT PORTFOLIO

FOUR PRODUCTS ON THE MARKET



ZAVESCA®

First approval for GD-1 2002
First approval for NP-C 2009



TRACLEER®

First approval for PAH 2001
First approval for DU 2007



VENTAVIS®

Acquired for PAH in 2006

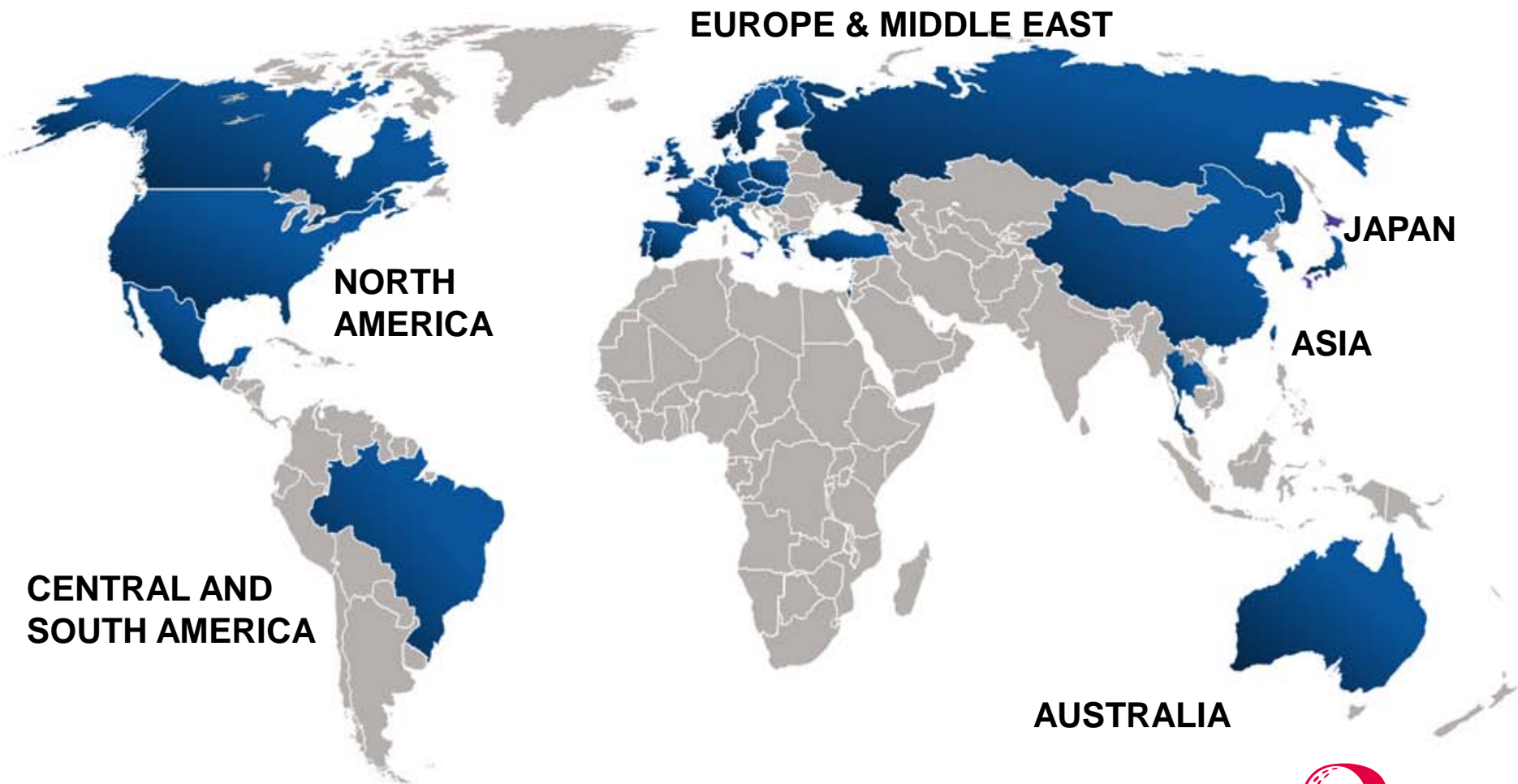


VELETRI®

First approval for PAH 2010

OPERATING AFFILIATES IN ALL SIGNIFICANT MARKETS

PRODUCT AVAILABILITY IN 60+ MARKETS



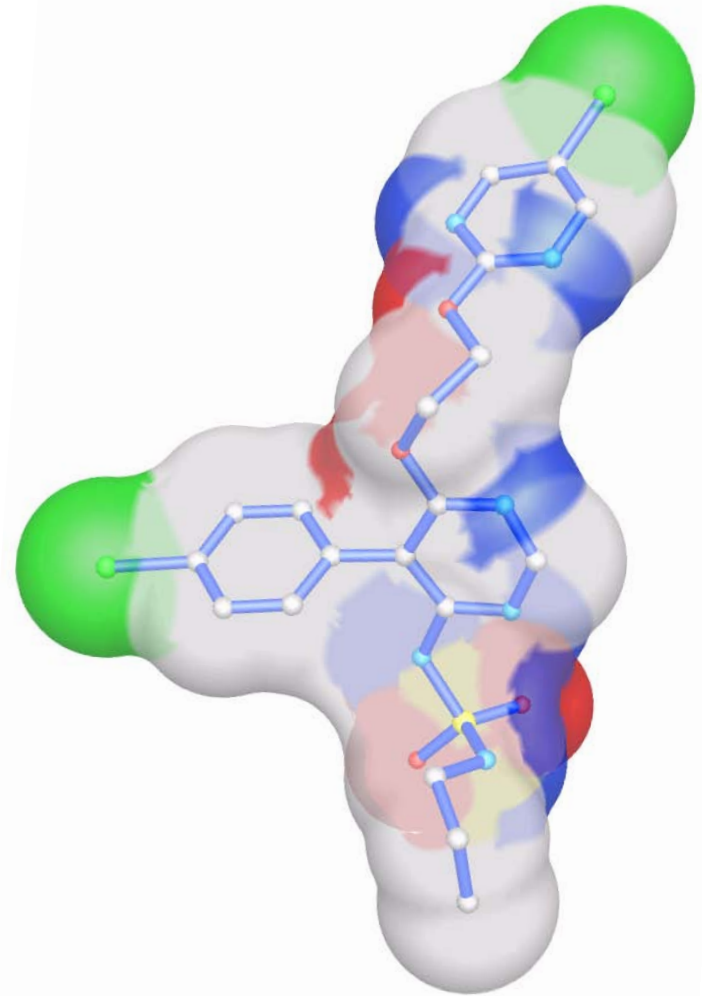
ACTELION: GROWING OUR PAH FRANCHISE

Macitentan

Selexipag

MACITENTAN: A LANDMARK COMPOUND

- ▶ Discovered by Actelion
- ▶ Tissue-targeting dual ERA
- ▶ Highly potent receptor binding
- ▶ Once-daily dosing
- ▶ Optimized pharmacokinetics / metabolism
- ▶ Promising safety and tolerability profile
- ▶ Patent life until mid 2020s in main markets



- A LANDMARK STUDY IN PAH

Phase III,
Global,
Multi-center,
RCT



Event-driven,
Long-term



NOVEL,
Primary
endpoint:
Time to first M/M
event



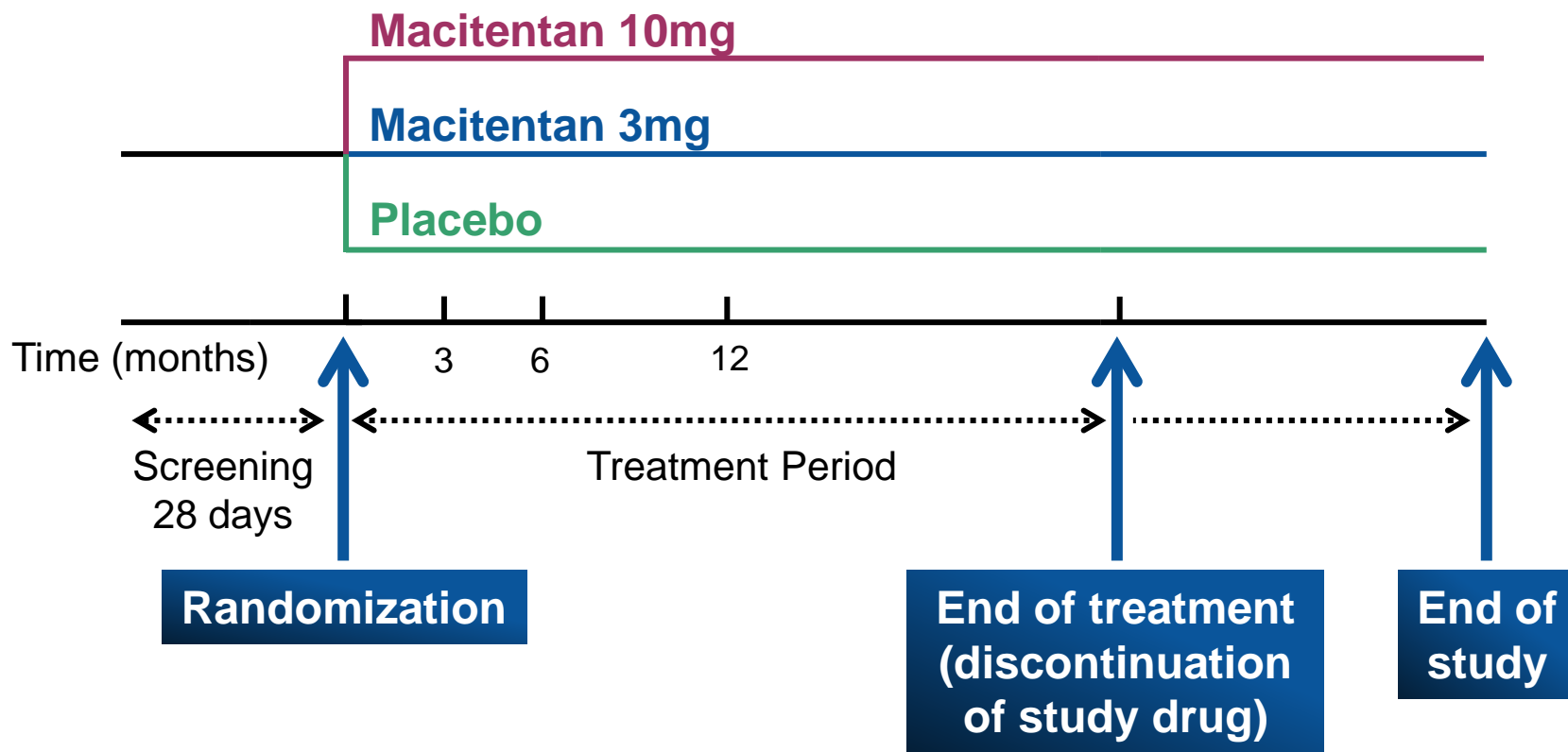
PAH
LANDMARK
STUDY

- ▶ Primary objective
 - To demonstrate that macitentan prolongs the time to the first morbidity or mortality event in patients with symptomatic pulmonary arterial hypertension (PAH)

- ▶ Secondary objectives
 - To demonstrate that macitentan improves exercise capacity, WHO functional class and prolongs the time to death or hospitalization for PAH in patients with symptomatic PAH
 - To evaluate the safety and tolerability of macitentan in patients with symptomatic PAH

Seraphin - STUDY DESIGN

- ▶ 742 patients were randomized 1:1:1 between May 2008 and December 2009



STUDY TREATMENT DURATION IN SERAPHIN COMPARED WITH ALL OTHER PAH DRUGS IN RANDOMIZED CONTROLLED TRIALS (RCT)

10,040
weeks

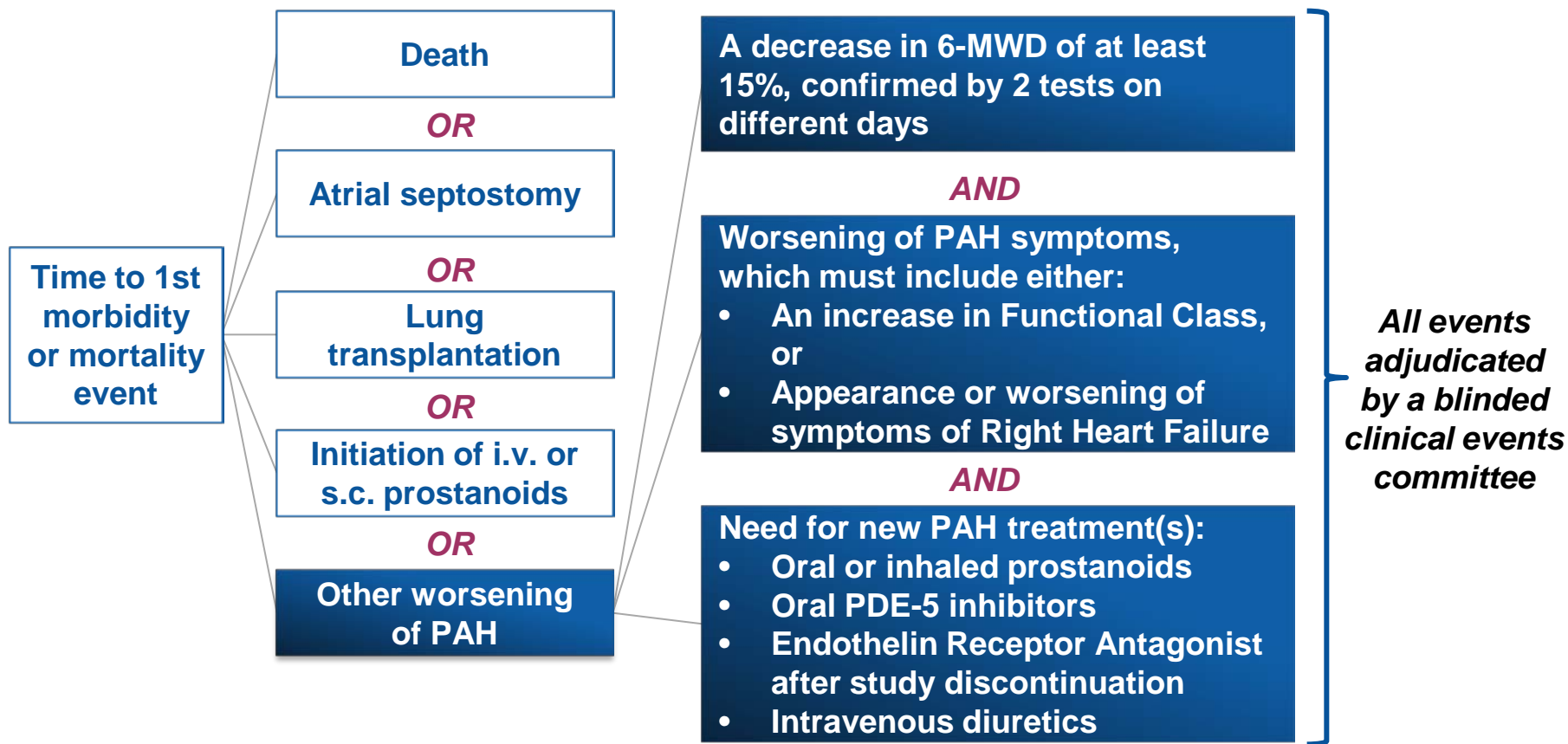
PAH RCT with Bosentan

All PAH studies 47,230 weeks

N. Galie Meta-analysis RCT, 2009

SERAPHIN \approx 82,000 weeks

- MORBIDITY/MORTALITY PRIMARY ENDPOINT



- ▶ Robust nature of the primary endpoint = only clinically relevant events are captured
- ▶ Morbidity / mortality as primary endpoint is considered more clinically relevant as it reflects the true progression of PAH

- ▶ Macitentan reduced the risk of a morbidity/mortality event over the treatment period versus placebo, in a dose-dependent fashion
- ▶ 10 mg dose group – the observed risk reduction was 45 % ($p < 0.0001$)
- ▶ 3 mg dose group – the observed risk reduction was 30 % ($p = 0.0108$)

- ▶ Dose-dependent effect ($p < 0.05$ for either dose) on change from baseline to month 6 in six-minute walk-distance
- ▶ Dose-dependent effect ($p < 0.05$ for either dose) on change from baseline to month 6 in WHO functional class and
- ▶ Dose-dependent effect ($p < 0.05$ for either dose) on time - over the whole treatment period - to either death due to PAH or hospitalization due to PAH
- ▶ A trend in favor of 10 mg macitentan compared to placebo was observed on all-cause mortality ($p = \text{ns}$).

MACITENTAN IN THIS PATIENT POPULATION WAS WELL TOLERATED

- ▶ The number of adverse events reported and patients discontinuing treatment due to adverse events was similar across all groups.
- ▶ Elevations of liver alanine or aspartate aminotransferases greater than three times the upper limit of normal were observed in:
 - 4.5 percent of patients receiving placebo
 - 3.6 percent of patients on 3 mg of macitentan
 - 3.4 percent of patients on 10 mg of macitentan
- ▶ No difference was observed between macitentan and placebo on edema.
- ▶ A decrease in hemoglobin - reported as an adverse event - was observed more frequently on macitentan than placebo, with no difference in treatment discontinuation between groups.

PRIMARY ENDPOINT MET

- ▶ 10 mg dose group – the observed risk reduction was by 45 % ($p < 0.0001$).
- ▶ 3 mg dose group – the observed risk reduction was 30 % ($p = 0.0108$).
- ▶ Macitentan appears to be well tolerated at both dose levels
 - The number of adverse events reported and patients discontinuing treatment due to adverse events was similar across all groups.
- ▶ **Next Steps:**
 - Submission of the registration dossier to Health Authorities is expected by the fourth quarter of 2012

ACTELION: GROWING OUR PAH FRANCHISE

Macitentan

Selexipag

SELEXIPAG

OPENING PROSTACYCLIN THERAPY TO A BROADER POPULATION

- ▶ A first-in-class, potent, orally available, selective IP receptor agonist
 - In-licensed in March 2008 from Nippon Shinyaku
 - Patent life until mid 2020s

- ▶ Phase II proof-of-concept:
 - Highly significant reduction in pulmonary vascular resistance on top of existing therapy
 - Demonstrated promising tolerability

SELEXIPAG – HIGH GI TOLERABILITY ALLOWS TO REACH EFFECTIVE DOSE LEVELS

SELECTIVE IP RECEPTOR AGONIST

PAH receptor

Contraction of gastric fundus

Binding affinity (K_i) μM

	IP	EP ₁	EP ₃	EP ₄
Selexipag	0.26	>10	>10	>10
Beraprost	0.039	>10	0.68	7.2
Treprostinil	0.032	0.212	2.50	0.826

SELEXIPAG WILL OPEN PROSTACYCLIN THERAPY TO MANY MORE PATIENTS

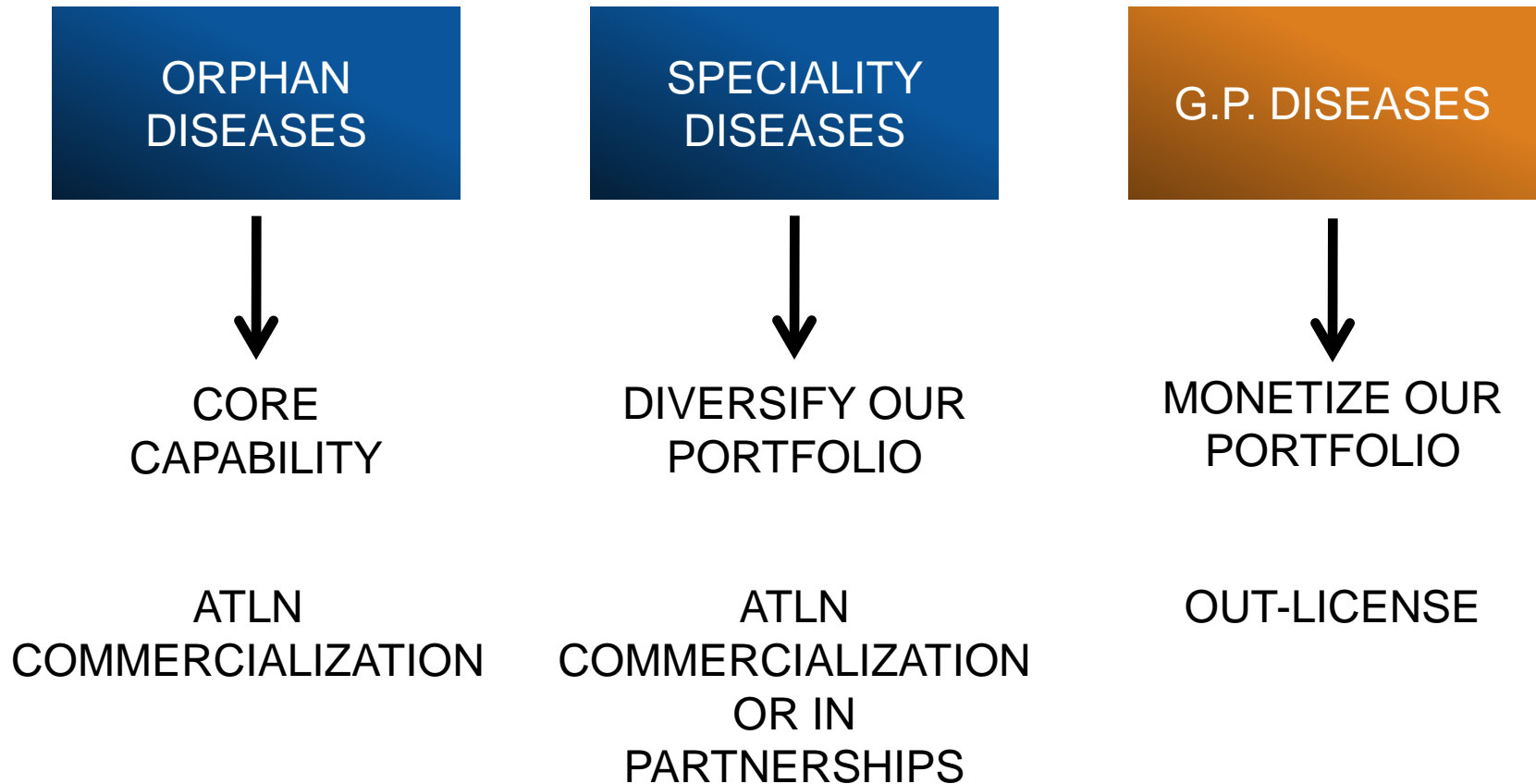
▶ The  **GRIPHON** Study
Prostacyclin (PGI₂) Receptor agonist In Pulmonary arterial HypertensiON

- Phase III, multinational, placebo-controlled, double-blind study
- Primary endpoint: Time to first morbidity/mortality event
- 1,150 patients to be enrolled
- Conducted under an SPA
- Started in 2010
- Interim analysis H2 2013

INSIGHTS INTO GROWTH OPPORTUNITIES

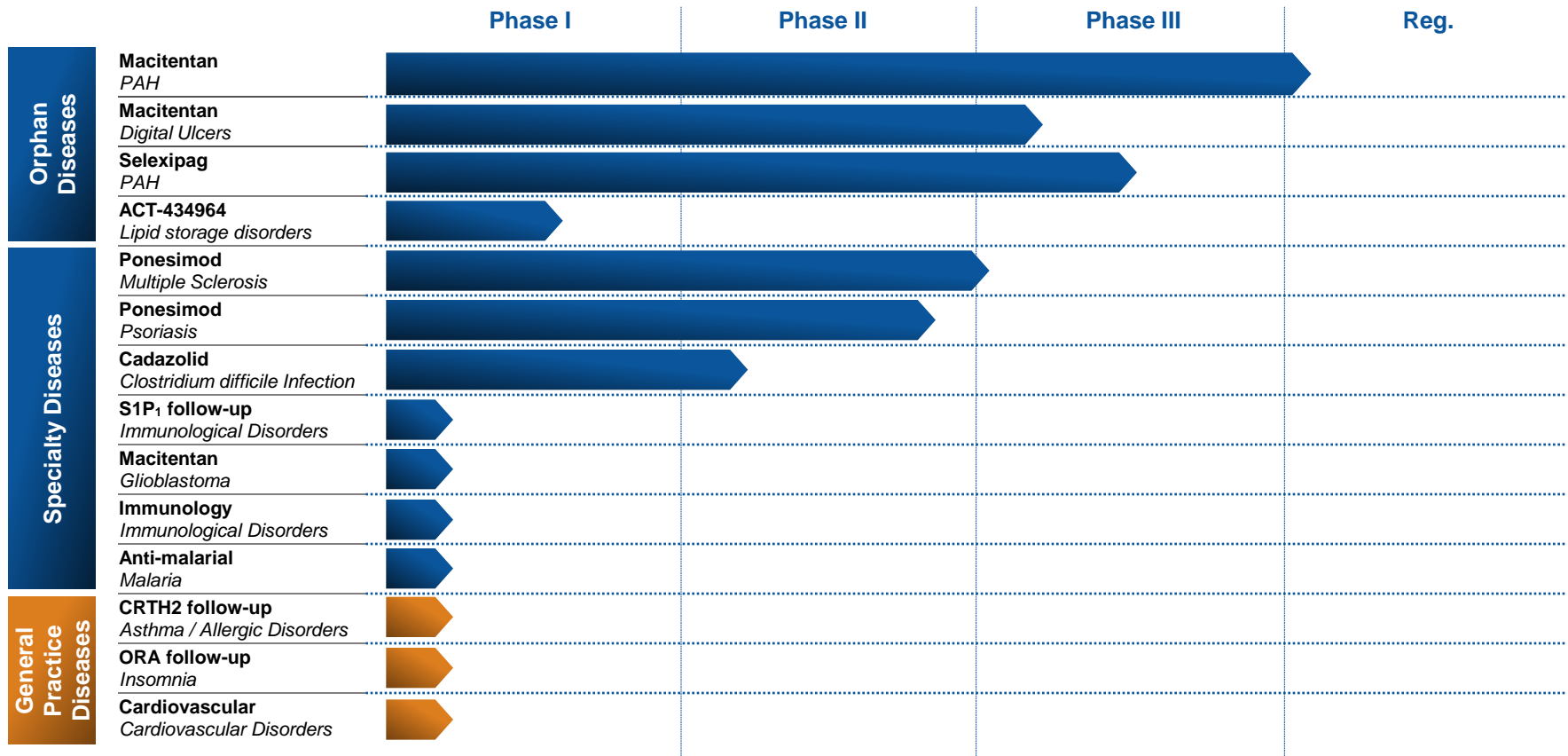
FOCUSED APPROACH TO VALUE CREATION

COMMERCIAL STRATEGY ADAPTED TO EACH DRUG



A DIVERSIFIED AND BALANCED PIPELINE...

NEAR- AND MID-TERM OPPORTUNITIES



INSIGHTS INTO GROWTH OPPORTUNITIES

Ponesimod

Cadazolid

PONESIMOD: RELAPSING REMITTING MULTIPLE SCLEROSIS SELECTIVE S1P1 RECEPTOR AGONIST

- ▶ Key Data
 - Phase II demonstrated a reduction of cumulative number of new active lesions (<0.0001)
 - Clinically meaningful effect observed on annualized relapse rate
- ▶ Highly selective for S1P₁
- ▶ Rapid reversibility allowing restoration of immune system
- ▶ Once-daily oral product
 - Dose-dependent effect on lymphocyte count

PONESIMOD: MODERATE TO SEVERE PSORIASIS SELECTIVE S1P1 RECEPTOR AGONIST

- ▶ Ongoing dose-finding study in patients with moderate to severe chronic plaque psoriasis
 - Evaluates efficacy, safety, and tolerability of two doses of ponesimod versus placebo administered for up to 28 weeks
 - Induction and maintenance
 - 320 patients

- ▶ Results expected Q4 2012

INSIGHTS INTO GROWTH OPPORTUNITIES

Ponesimod

Cadazolid

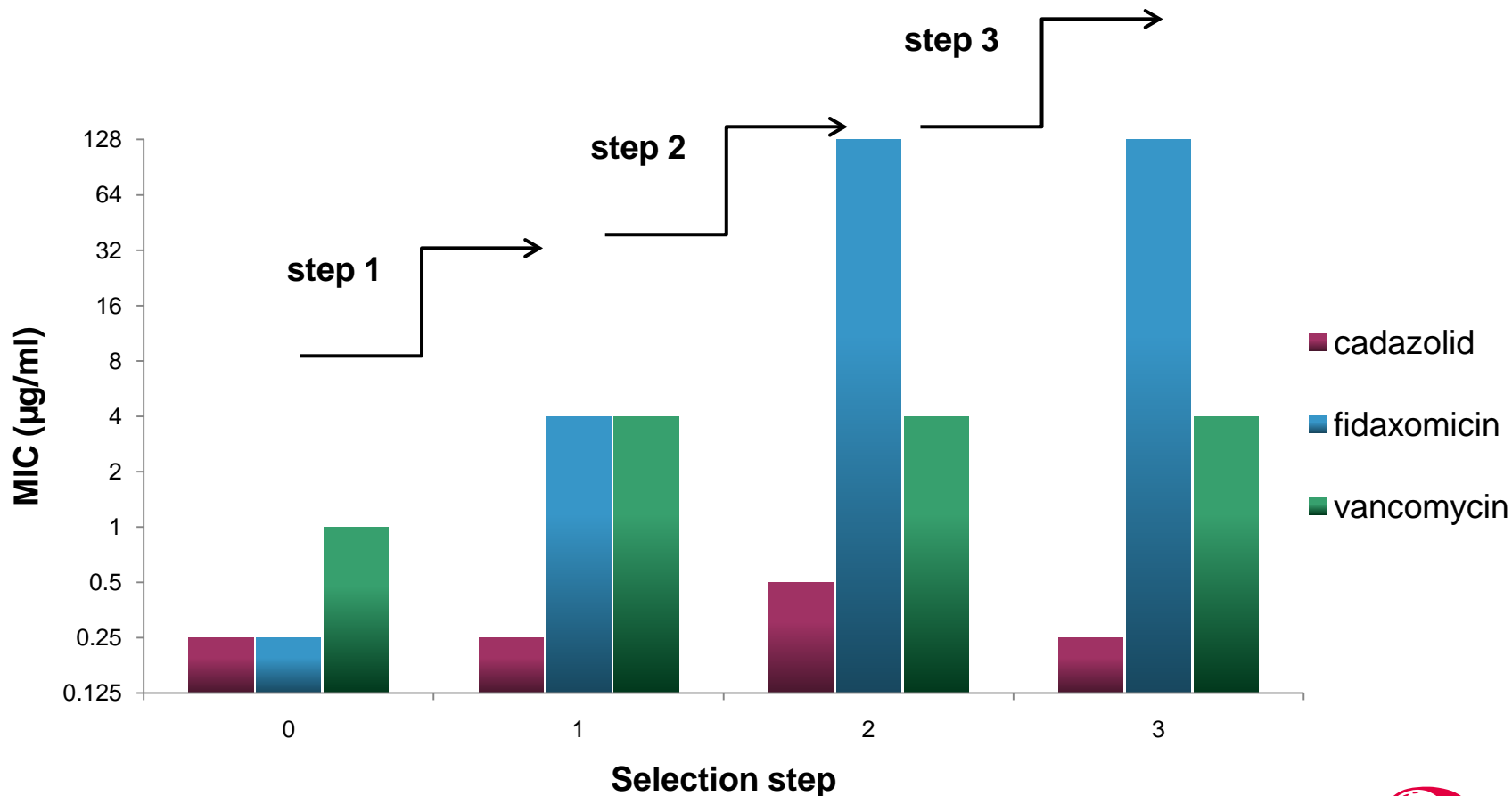
CADAZOLID ADDRESSES AN UNMET MEDICAL NEED (IN CLOSTRIDIUM DIFFICILE)

PHASE II STUDY RESULTS EXPECTED Q4 2012

Characteristics	Expected differentiation
Bactericidal activity	Efficacy in hypervirulent strains
Inhibition of protein / toxin synthesis	Very fast activity
Very limited effect on normal gut flora	Potential for lower recurrence rates
No absorption	Good safety
Targeting two targets: no in vitro resistance development	Very low potential for resistance development vs vancomycin/fidaxomicin

CADAZOLID SHOWS LOW PROPENSITY FOR RESISTANCE IN PRECLINICAL STUDIES

IN VITRO SELECTION OF RESISTANCE COMPARED TO OTHER ANTIBIOTICS



OPTIMIZE PROFITABILITY

ACTELION'S 2011 FINANCIAL PERFORMANCE

MASKED BY CURRENCY HEADWINDS AND LITIGATION PROVISION

	FY 2010	FY 2011	% of Change CHF	% of Change LC
Net Revenues	1,929.0	1,796.1	(7)	5
Operating Income	457.3	12.2	(97)	(95)
Non-GAAP EBIT	619.3	520.6	(16)	8
US GAAP EPS	3.22	(1.23)	-	-

Q1 2012 FINANCIAL HIGHLIGHTS

	Q1 2011	Q1 2012	% of Change CHF	% of Change LC
Product sales	450.1	415.8	(8)	(4)
Operating Income	164.7	67.1	(59)	(54)
Core earnings	127.9	107.6	(16)	(9)
US GAAP EPS	1.20	0.38	(68)	(63)

2012 – FINANCIAL GUIDANCE

STRONG COST CONTROL TO ENABLE FLAT CORE EARNINGS

Product Sales

Low single digit decrease in LC

Core earnings

(Product sales minus Non-GAAP OPEX)

Flat in local currencies

- ▶ Anticipated pricing pressure in Europe
- ▶ Competitive pressure in US
- ▶ Potential generic entries in some markets
- ▶ Competitive pricing pressure in emerging markets such as Brazil and China

MID-TERM FINANCIAL OUTLOOK

IN LOCAL CURRENCIES - UNFORSEEN EVENTS EXCLUDED

- ▶ Stable core earnings in 2013
- ▶ Return to core earnings growth in 2014
- ▶ Accelerating to double digit core earnings growth in 2015

ANTICIPATED NEWS FLOW

▶ H2 2012

- **Cadazolid** in *C.Difficile* infection proof-of-concept results
- **Ponesimod** in psoriasis Phase II results

▶ Ad hoc events

- Ponesimod partnership decisions
- Early stage pipeline progression

▶ Financial Reporting

- HY - 19 July 2012